



Project Summary Information

Date of Document Preparation: October 16, 2020	
Project Name	Zhengzhou International Hub Expansion
Project Number	P000386
AIIB member	People's Republic of China (China)
Sector/Subsector	Transport / Multimodal logistics
Status of Financing	Under Preparation
Project Description	The project, to be supported by a long-term sovereign-backed financing to China and on-lent to Zhengzhou International Hub Development and Construction Co., Ltd. (ZIH), comprises the expansion of its freight facilities, including cold-chain storage facilities, bonded logistics center, parallel vehicle imports facility and multimodal logistics information platform upgrade. These facilities are integral value-added components to the ZIH operation of China Railway Express (CR Express) connecting China with European/Central Asian countries.
Objective	To facilitate cross-border trade by expanding the supporting facilities of CR Express in Zhengzhou China, and to prepare for the commercialization of a rail logistics service provider.
Expected Results	<ul style="list-style-type: none"> • Increase in trade volume measured by number of containers shipped, tonnage of cold storage goods, value of goods processed through the bonded warehouse and number of vehicles imported annually; • Improvement in operational efficiency of CR Express measured by annual average load factor per train and return trip ratio and • Readiness for commercialization measured by reduction in annual government subsidies per train.
Environmental and Social Category	Category B
Environmental and Social Information	Environmental and Social Policy, Standards, and Categorization. AIIB's Environmental and Social Policy (ESP), including the Environment and Social Standards (ESS) and the Environmental and Social Exclusion List are applicable to the proposed project. Based on screening, scoping, and initial due diligence with respect to the specific components, ESS 1 (Environmental and Social Assessment and Management) and ESS 2 (Involuntary Resettlement) are triggered. Applicability of ESS 3 (Indigenous Peoples) will be assessed during subsequent stages of Project preparation. Based on preliminary site visits conducted during an identification mission and discussions with the client and their environmental

and social (ES) consultants, the project has been categorized as Category B, taking into consideration the nature of the project activities and local environmental and social context; the expected environmental and social impacts would be localized, and environmental and social impacts/risks would be limited, not unprecedented, and few of them would be irreversible or cumulative. Furthermore, there are adequate mitigation measures available for eliminating or reducing the adverse ES impacts through good management.

Environmental Aspects. Based on Chinese national requirements, the Environmental Impact Assessments (EIAs) were prepared and approved for two proposed components, i.e., for the Multimodal Logistic Center and the Vehicle Importation Port components. To meet the requirements of AIIB's ESP, the client will prepare an EIA and EMP, taking the existing EIAs as a basis in order to adequately cover all proposed project activities, to carry out an impact and risk assessment, propose mitigation measures, conduct public consultations and information disclosure, prepare the related EMP and identify institutional arrangements.

Social Aspects. The proposed project activities will be located in three urban blocks of the newly developed economic development district of Zhengzhou City, totaling about 600 mu (equivalent to 40 hectares) of land. Since all the land required for the project was acquired by local government in 2015, and subsequently allocated to the project sponsor, no new land acquisition or involuntary resettlement will be required under the project. Initial discussions with ZIH and preliminary social screening in the project areas indicated that the land areas allocated to the project used to belong to three village groups of Yinggang Village. Due to the establishment of the new economic development district and international logistical zone, the entire land area of Yinggang Village was acquired, and all affected households in the three village groups of Yinggang Village were resettled. According to discussions with the local land bureau and resettlement agency, and interviews with some resettled community members, there is a well-established compensation and rehabilitation policy and program for such affected villages in Zhengzhou City. In order to ensure that overall land acquisition and resettlement in the project area were carried out consistent with national law and local regulations, as well as AIIB's ESP, a Social Due Diligence Report (SDDR) and a Social Impact Assessment (SIA) will be carried out during project preparation.

Stakeholder Engagement, Consultation and Information Disclosure. Consultations will be held during the preparation of the EIA, EMP, SIA and SDDR. Based on community feedback, these documents will be finalized. Consultations will continue on an ongoing basis during the project implementation. The draft English and Chinese versions of the EIA, EMP,

	SIA and SDDR will be posted on the websites of ZIH and AIIB and made available in hard copies in the Project area.		
	Project-level Grievance Redress Mechanism. A multi-tier project-level Grievance Redress Mechanism (GRM) will be established in accordance with the requirements of AIIB's ESP to address concerns of project stakeholders. A locally-appropriate public consultation and disclosure process will be used to disseminate information about the GRM. A separate GRM will be established to address workplace complaints and concerns.		
Cost and Financing Plan	<u>Project cost:</u> USD211.1 million <u>Financing Plan:</u> AIIB loan: USD151.7 million ZIH: USD59.4 million		
Borrower	People's Republic of China		
Guarantor	NA		
Implementing Entity/Sponsor	Zhengzhou International Hub Development and Construction Co., Ltd. (ZIH)		
Estimated date of loan closing (SBF)	Q2 2025		
Contact Points:	AIIB	Borrower	Implementation Organization/Sponsor
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Date of Concept Decision	October/2020		
Date of Appraisal Decision	December/2020		
Date of Financing Approval	Q1/2021		

Independent Accountability Mechanism	<p>The Project-affected People’s Mechanism (PPM) has been established by the AIIB to provide an opportunity for an independent and impartial review of submissions from project-affected people who believe they have been or are likely to be adversely affected by AIIB’s failure to implement its ESP in situations when their concerns cannot be addressed satisfactorily through the project-level GRM or AIIB Management’s processes.</p> <p>Information on AIIB’s PPM is available at: https://www.aiib.org/en/policies-strategies/operational-policies/policy-on-the-project-affected-mechanism.html</p>
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